



## **Title 18: Mississippi Department of Human Services**

### **Part : Benefit Recovery**

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**Title 18: Mississippi Department of Human Services**

**Part : Benefit Recovery**

**Chapter 1: General Overview**

*Rule 1.1 Authority and Purpose*

- A. The purpose of this policy is to establish the procedures and guidelines the Mississippi Department of Human Services (MDHS) will follow in order to effectively establish overpayments as a result of improper benefit payments within the programmatic divisions of this agency.
- B. The Mississippi Department of Human Services has established an independent unit called the Benefit Recovery Unit within the Office of Inspector General which shall be responsible for establishing, monitoring, tracking, and recovering overpayments as a result of improper benefit payments found within the programmatic divisions within the Mississippi Department of Human Services. The Benefit Recovery Unit is also responsible for the recovery of subgrantee collections as a result of Monitoring Audits and Findings.

*Rule 1.2 Public body description-Contact Information-Benefit Recovery Unit*

- A. MDHS consists of the following Programmatic Divisions:
  - 1. Economic Assistance Eligibility
  - 2. Aging and Adult Services
  - 3. Youth Services
  - 4. Community Services
  - 5. Child Support Enforcement
  - 6. Early Childhood Care and Development
  - 7. Workforce Development and Partnership Management
- B. Contact information for the Benefit Recovery Unit is as follows:

Address: Mississippi Department of Human Services  
Office of Inspector General  
Benefit Recovery Unit  
200 S. Lamar Street  
P. O Box 352  
Jackson, MS 39201

Phone: 1-800-948-4050  
Fax: 601-359-5047  
Email: [Benefit.Recovery@mdhs.ms.gov](mailto:Benefit.Recovery@mdhs.ms.gov)

### *Rule 1.3 Definitions*

Accused: This field is used to identify the person or persons accused of Suspected Intentional Program Violation (SIPV) and who may be found guilty of Intentional Program Violation (IPV). This should be the person that you feel deliberately failed to give correct or timely information in order to receive benefits that they were not entitled to receive.

Agency: Also known as the Mississippi Department of Human Services

Agency Error (AE): Any benefit error not attributed to a client's failure to timely report changes or give correct information.

Bankruptcy: A legal procedure for dealing with debt problems of individuals and businesses.

Bankruptcy Code: The informal name for The United States Bankruptcy Code.

Benefit Error: An over or under payment in a monthly benefit to which the recipient was not entitled.

Benefit Recovery: The process of identifying, validating, releasing, scheduling, and recovering overpayments.

Collections: The attempt to collect a debt as a result of an improper receipt of payment from a MDHS public assistance programs.

Creditor: One to whom the debtor owes money or who claims to be owed money by the debtor.

Debt: An amount of money that is owed to the agency.

Debtor: An individual who owes a debt to the agency.

DECCD: Division of Early Childhood Care and Development

Delinquent Debt: An overpayment where a payment has not been posted within a month of the establishment date or within a month of the last payment date. Payments must be received and posted monthly.

Discharge: A release of a debtor from personal liability for certain dischargeable debts set forth in the Bankruptcy Code. (A discharge releases a debtor from personal liability for certain debts known as dischargeable debts and prevents the creditors owed those debts from taking any action against the debtor to collect the debts. The discharge also prohibits creditors from communicating with the debtor regarding the debt, including telephone calls, letters, and personal contact.)

FNS: Food and Nutrition Services

Fraud: The commission of an intentional program violation.

Improper Payment: An incorrect payment made to a provider on behalf of a parent or guardian for Child Care and Development Fund (CCDF) subsidy at the time the payment was made. The error may have been due to Agency Error (AE), Unintentional Program Violation (UPV), or Intentional Program Violation (IPV).

Inadvertent Household Error (IHE): Any benefit error due to the client's unintentional failure to report error changes; or the result of a fair hearing request where benefits are continued pending the outcome of the hearing.

Intentional Program Violation (IPV): An intentional act by the parental authority or a childcare provider to misrepresent or mislead by providing false documentation or verification or intentionally omitting documentation or verification to wrongfully obtain eligibility for services or payment, which is proven by clear and convincing evidence.

Legally Enforceable: A debt that has a final agency determination that the debt in the amount stated, is due, and there are no legal bars to collection action such as a bankruptcy stay.

Liable Adults: Head of Household and all other members of the household who were 18 years and over at the time the overpayment or trafficking occurred.

Lien: The right to take and hold or sell the property of a debtor as security or payment for a debt or duty.

Offset: The act of causing funds otherwise due to the client to be used to pay a debt to the State.

Overpayment: Benefits received in excess of entitlement and the product of validating and releasing benefit errors.

Primary Party: Person responsible for the overpayment

Recoupment: The act of recovering a debt.

Repayment Agreement: A legal agreement established between the Benefit Recovery Unit and the client for the repayment of debt owed to MDHS.

Restitution: Restoring the funds that were taken outside of recoupments.

SNAP: Supplemental Nutrition Assistance Program.

State Review: A review requested by the debtor to verify the claim meets the criteria for referral to Treasury Offset Program conducted by Mississippi Department of Human Services.

Subgrantees: The legal entity to which a subgrant has been awarded.

Subgrant: An award of financial assistance in the form of money.

Suspected Intentional Program Violation (SIPV): occurs when the client intentionally falsified, misrepresented, or withheld information that would have caused ineligibility or reduced benefits.

TANF: Temporary Assistance for Needy Families

TOP (Treasury Offset Program): Federal computer program used to assist in recovery of delinquent debts through federal benefits, including but not limited to tax refunds, federal salaries, and retirement.

Trafficking: The act of selling or otherwise trading Supplemental Nutrition Assistance Program benefits for profit.

Unintentional Program Violation (UPV): An improper payment made on behalf of a parent/guardian to a childcare provider, due to a misunderstanding of policy or an unintended error on the part of the parent or childcare provider.

## **Chapter 2: Supplemental Nutrition Assistance Program Overpayments**

### *Rule 2.1 Legal Basis*

- A. Supplemental Nutrition Assistance Program (SNAP) overpayments are State-administered federal debts. A recipient overpayment is the amount owed as a result of benefits that were overpaid or benefits that were trafficked.
- B. SNAP overpayments “are a Federal debt subject to this and other regulations governing Federal debts. The State Agency must establish and collect any claim by following these regulations”.
- C. The Mississippi Department of Human Services is required to “develop a plan for establishing and collecting claims that provides orderly claims processing and results in claims collections similar to recent national rates of collection”.

Source: 7 CFR § 271.2, CFR § 273.18(a)(2)(3) - *Claims against households*

### *Rule 2.2 Reporting Requirements*

- A. Effective January 1, 2018, Mississippi began the transition to Change Reporting for all households. Under Change Reporting requirements, all households must report the following changes within 10 days of the date the change becomes known to the household:
  - 1. Residence and resulting shelter costs;
  - 2. Establishment or modification of a legal child support obligation;
  - 3. Change of more than \$125 in unearned income;
  - 4. Change of more than \$125 in monthly earned income from the amount used to calculate the household’s benefit amount;
  - 5. Change in the source of income (example: change in employment), if it results in a change in income.
  - 6. Change in liquid resources, such as cash, stocks, bonds, or bank accounts that meet or exceed the household’s limit
- B. Prior to January 1, 2018, any overpayments must be established by using Simplified Reporting (SR). Simplified Reporting requires households to report when the household's total gross monthly income meets or exceeds 130% of the federal poverty level for the household size at the time of its current certification period. Such changes must be reported by the 10th day of the month following the month in which the change occurred.

### *Rule 2.3 Types of Overpayments/Claims*

- A. An Intentional Program Violation (IPV)
- B. An Inadvertent Household Error (IHE)

C. An Agency Error (AE)

Source: 7 CFR § 271.16(c)(1)(2), 7 CFR § 273.18(b)(2)(3)

*Rule 2.4 Establishing SNAP Overpayments*

- A. MDHS is responsible for establishing overpayments for all SNAP claims but must not include any amounts that occurred more than six years before the agency became aware of the overpayment.
- B. Trafficking-related claims arise from trafficking-related offenses and will be the value of the trafficked benefits as determined by:
  - 1. The individual's admission,
  - 2. Adjudication; or
  - 3. The documentation that forms the basis for the trafficking determination.
- C. MDHS is not allowed to pursue claims when it is not cost effective to establish and collect on them. If the employee determines the claim amount is less than \$125, a claim will not be prepared. The threshold is applicable to all claim types involving an over issuance of benefits. If it is determined a claim is not required due to the threshold provision, the case should be documented that the amount of the claim is less than \$125.

Source: 7 CFR § 273.18(c)(1)(2), 7 CFR § 273.18(d)(1)(2), 7 CFR § 273.18(e)(2)(ii)

*Rule 2.5 Imposing SNAP Disqualifications*

- A. Clients found guilty of Intentional Program Violations (IPV) are ineligible to participate in SNAP.
- B. When a client is found guilty of an Intentional Program Violation, MDHS must take the necessary steps to disqualify the recipient through the Electronic Disqualification Recipient System (EDRS).
- C. The Benefit Recovery Unit will enter all SNAP disqualifications into EDRS along with supporting documentation for the disqualification. Penalties for Intentional Program Violations are below:
  - 1. First Offense-12 Months
  - 2. Second Offense-24 Months
  - 3. Third Offense-Permanent

Source: 7 CFR § 273.16(b)(1)(i)(ii)(iii)

*Rule 2.6 Court Ordered Restitution Cases*

- A. MDHS may collect on SNAP overpayments by utilizing the local courts to impose court orders and restitutions for Intentional Program Violations.
- B. MDHS is responsible for collecting restitution payments from the local courts on court ordered SNAP overpayments.
- C. Demand for repayment is not made on an individual that has been court ordered to make restitution. However, a repayment notice is sent to the responsible household member notifying the individual of the guilty decision and claim amount.
- D. A court order which specifies restitution made through the court cannot be subject to agency enforced benefit reduction for failure to repay. If the individual who committed IPV fails to abide by the court order, the Benefit Recovery Unit will notify the Court of the individual's failure to repay in accordance with the Court Order.
- E. The court may order repayment of less than the full amount of the overpayment. In cases such as this, MDHS will abide by the court order.

Source: 7 CFR § 273.16(g)

*Rule 2.7 Notification of SNAP Overpayments*

- A. MDHS must develop and mail or otherwise deliver to the household written notification to begin collection action on any claim.
- B. The agency is required to notify the household with a one-time notice of adverse action that may be included as part of the demand letter. The notice of adverse action must include the following components:
  - 1. The amount of the claim.
  - 2. The intent to collect from all adults in the household when the overpayment occurred.
  - 3. The type (IPV, IHE, AE or similar language) and reason for the claim.
  - 4. The time period associated with the claim.
  - 5. How the claim was calculated.
  - 6. The phone number to call for more information about the claim.
  - 7. That, if the claim is not paid, it will be sent to other collection agencies, who will use various collection methods to collect the claim.
  - 8. The opportunity to inspect and copy records related to the claim.
  - 9. Unless the amount of the claim was established at a fair hearing, the opportunity for a fair hearing on the decision related to the claim. The household will have 90 days to request a fair hearing.
  - 10. That the household can make a written agreement to repay the amount of the claim prior to it being referred for Federal collection action.

11. That, if not paid, the claim will be referred to the Federal government for federal collection action.
12. That, if the claim becomes delinquent, the household may be subject to additional processing charges.
13. That the State agency may reduce any part of the claim if the agency believes that the household is not able to repay the claim.
14. A due date or time frame to either repay or make arrangements to repay the claim, unless the State agency is to impose allotment reduction.
15. If an allotment reduction is to be imposed, a due date or time frame to either repay or make arrangements to repay the claim in the event that the household stops receiving benefits must be established.
16. If allotment reduction is to be imposed, the percentage to be used and the effective date.

Source: 7 CFR § 273.18(e)(3)

*Rule 2.8 Repayment Agreements for SNAP Overpayments*

- A. Any repayment agreement for any claim must contain due dates or time frames for the periodic submission of payments.
- B. The agreement must specify that the household will be subject to involuntary collection action(s) if payment is not received by the due date and the claim becomes delinquent.

Source: 7 CFR § 273.18(e)(4)

*Rule 2.9 Recovery of SNAP Overpayments*

- A. MDHS may collect on a SNAP overpayment by:
  1. Reducing benefits prior to issuance. This includes allotment reduction and offsets to restored benefits;
  2. Reducing benefits after issuance. These are benefits from electronic benefit transfer (EBT) accounts;
  3. Accepting cash or any of its generally accepted equivalents. These equivalents include check, money order, and credit or debit cards;
  4. Conducting your own offsets and intercepts. This includes but is not limited to wage garnishments and intercepts of various State payments. These collections are considered “cash” for Food and Nutrition Service (FNS) claim accounting and reporting purposes;
  5. Requiring the household to perform public service (This form of payment must be ordered by a court and specifically be in lieu of paying any claim), and/or
  6. Participating in the Treasury collection programs
- B. MDHS must:

1. Automatically collect payments for any claim by reducing the amount of monthly benefits that a household receives.
  2. For an IPV claim, limit the amount reduced to the greater of \$20 per month or 20 percent of the household's monthly allotment or entitlement.
  3. For an IHE or AE claim, limit the amount reduced to the greater of \$10 per month or 10 percent of the household's monthly allotment.
  4. Not reduce the initial allotment when the household is first certified.
  5. Not use additional involuntary collection methods against individuals in a household that is already having its benefit reduced.
- C. MDHS must allow a household to pay its claim using benefits from its EBT benefit account as well as comply with other requirements below:
1. For collecting from active (or reactivated) EBT benefits, the agency must obtain written permission which may be obtained in advance.
  2. For collecting from stale EBT benefits, the agency must mail or otherwise deliver to the household written notification that you intend to apply the benefits to the outstanding claim.
  3. For making an adjustment with expunged EBT benefits, the agency must adjust the amount of any claim by subtracting any expunged amount from the EBT benefit account for which you become aware.
- D. MDHS must reduce any restored benefits owed to a household by the amount of any outstanding claim. This may be done at any time during the claim establishment and collection process.
- E. Other forms of repayment for a SNAP overpayment include:
1. Lump sum payments,
  2. Installment payments,
  3. Intercept of unemployment compensation,
  4. Court Order/Judgement
  5. Public service, and/or
  6. Other collection actions such as state tax refunds, lottery offsets, wage garnishments, property liens, smalls claim court, and Treasury Offset Program.

*Source: 7 CFR § 273.18(f)(g)*

*Rule 2.10 Treasury Offset Program (TOP)*

MDHS must:

- A. Refer to Treasury Offset Program (TOP) all recipient claims that are delinquent for 120 or more days.

- B. Certify that all of these claims to be referred to TOP are 120 days delinquent and legally enforceable.
- C. Refer these claims in accordance with MDHS and the Department of the Treasury instructions.
- D. Not refer claims to TOP:
  - 1. When the agency becomes aware that the debtor is a member of a participating household that is having its allotment reduced to collect the claim; or
  - 2. That fall into any other category designated by MDHS as non-referable to TOP.
- E. Notify the debtor of the impending referral to TOP according to our instructions relating to:
  - 1. What constitutes an adequate address to send the notice;
  - 2. What specific language will be included in the TOP referral notice;
  - 3. What will be the appropriate time frames and appeal rights; and
  - 4. Any other information that we determine necessary to fulfill all due process and other legal requirements as well as to adequately inform the debtor of the impending action.
- F. Follow FNS and Treasury procedures when the claim is in TOP. MDHS must remove a claim from TOP if:
  - 1. FNS or Treasury instructs MDHS to remove the debt; or
  - 2. The agency discovers that:
    - a. The debtor is a member of a SNAP household undergoing allotment reduction;
    - b. The claim is paid up;
    - c. The claim is disposed of through a hearing, termination, compromise or any other means; or
    - d. The claim was referred to TOP in error; or
    - e. You make an arrangement with the debtor to resume payments.

*Source: 31 CFR § 285.4(d)*

*Rule 2.11 Compromised and Terminated SNAP Overpayments*

- A. MDHS does not compromise any SNAP debts.
- B. MDHS will terminate a SNAP debt that meets the following criteria:
  - 1. Has been paid in full, or

2. All adult household members are now deceased.

Source: 7 CFR § 273.18(e)(8)

*Rule 2.12 Bankruptcy*

- A. SNAP Intentional Program Violations (IPV) debts are not dischargeable debts when filing for bankruptcy.
- B. Once MDHS becomes aware that bankruptcy has been filed by a client with an outstanding SNAP overpayment, the Benefit Recovery Unit must:
  1. Cease collection during the automatic stay,
  2. File a Proof of Claim by the deadline required,
  3. Notify the Attorney General Office of the bankruptcy case, and
  4. Resume collections once automatic stay is no longer in effect.

Source: 11 U.S. Code § 523(a)

## Chapter 3: Temporary Assistance for Needy Families Overpayments

### *Rule 3.1 Legal Basis*

- A. The term improper payment is used when a Temporary Assistance for Needy Families (TANF) or a refugee individual receives assistance but was not entitled to all or part of the payment or services rendered.
- B. Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, (PRWORA), requires that States promptly take all reasonable and practical steps to correct and collect all improper payments made through Temporary Assistance for Needy Families and TANF related programs regardless of whether the improper payments were due to willful or non-willful withholding of information or agency error.
- C. There are no provisions for waiving adjustments due to the amount or age of the improper payment. However, MDHS will align all program types (SNAP, TANF, DECCD, etc.) to the Supplemental Nutrition Assistance Program (SNAP) statute of limitations; IPV and IHE, 6 years from the date of discovery and AE, 12 months from the date of discovery. In addition, the Law does not require the pursuit of recovery of total overpayments of less than \$125 on cases for a former recipient until such time that the client reapplies and becomes eligible again.
- D. Recoupment can be made by reduction of benefits as well as by voluntary repayments

Source: 2019 MS Code Ann. § 43-17-5

### *Rule 3.2 Reporting Requirements*

- A. The policy for client's in the Temporary Assistance for Needy Families program will be aligned with the SNAP policy.
- B. Effective January 1, 2018, Mississippi began the transition to Change Reporting for all households. Under Change Reporting requirements, all households must report the following changes within 10 days of the date the change becomes known to the household:
  - 1. Residence and resulting shelter costs;
  - 2. Legal child support obligation;
  - 3. Change of more than \$125 in unearned income;
  - 4. Change of more than \$125 in monthly earned income from the amount used to calculate the household's benefit amount;
  - 5. Change in the source of income (example: change in employment), if it results in a change in income.
  - 6. Change in liquid resources, such as cash, stocks, bonds, or bank accounts that meet or exceed the household's limit

- C. TANF households must report when it becomes clear a child will be out of the home for more than thirty (30) days, and when the head of household moves out of state. Both changes must be reported within five (5) days.
- D. For TANF households, MDHS employees must act on any changes that become known to the agency. If it is discovered that a household failed to report a change as required or provided false information at any time which resulted in an over issuance of benefits, a claim must be processed.

*Rule 3.3 Types of Overpayments Payments*

- A. Agency Errors, (AE)
- B. Inadvertent Household Errors, (IHE)
- C. A Suspected Intentional Program Violations, (SIPV)
  - 1. SPIV claims less than \$1,000 are referred to the Division of Administrative Hearings for an Administrative TANF Disqualification Hearing.
  - 2. SIPV claims \$1,000 and over are referred to the Division of Investigations for court prosecution.

*Rule 3.4 Establishing TANF Overpayments*

MDHS is responsible for handling cases of improper payment and for recovering amounts improperly paid.

- A. Overpayments may be recovered from liquid assets, gross income, and the assistance grant. However, only gross income and the assistance grant will be used to establish the amount from which monthly recoupment from benefits can be made.
- B. Recoupment by reduction of benefits is only possible when the client to whom overpayment was made remains eligible for assistance in the amount of \$10 or more.
- C. MDHS will recoup by reduction of benefits, the greater of \$10 or 10% of TANF overpayments as a result of an Inadvertent Household (IHE) Error or Agency Error (AE). For TANF overpayments that were found guilty of an Intentional Program Violation (IPV), the recoupment amount will be 20%.
- D. Federal regulations allow States not to pursue claims when it is not cost effective to establish and collect on them. If the employee determines the claim amount **is less than \$125**, a claim will not be prepared. The threshold is applicable to all claim types involving an over issuance of benefits. If it is determined a claim is not required due to the threshold provision, the case should be documented that the amount of the claim is less than \$125.

*Rule 3.5 Statute of Limitations for Overpayments*

- A. TANF overpayments will be calculated back to the month that the over issuance occurred, not to exceed more than **six (6) years** prior to the date that the over issuance was discovered.
- B. Upon determination that a claim is required, the Benefit Recovery Unit must establish and complete Agency Error (AE) and Inadvertent Household Error (IHE) claims within six (6) months of discovery. Suspected Intentional Program Violation (SIPV) claims must be completed within 80 days of discovery.
- C. Generally, the statute of limitations does not apply to the State on civil actions, in order to allow court action to recover amounts of assistance improperly obtained can be brought without regard to the time the fraudulent act was committed.

*Rule 3.6 Transfer of TANF Overpayments*

- A. When the agency becomes aware that an individual responsible for repayment of an **unpaid claim balance** is participating in another TANF case, the Benefit Recovery Unit **MUST** be notified by the county office to transfer the claim to that active case.
- B. A claim will only be transferred when there is a balance and payments are not being made.

*Rule 3.7 Recovery of TANF Overpayments*

- A. It is the responsibility of the Benefit Recovery Unit to make demands for the repayment of overpayments attributed to benefit errors within the agency.
- B. The agency first must seek recovery from the primary party responsible for the overpayment. States are required to pursue collection of the overpayment from the TANF payee, provided that this individual was also a recipient (i.e., a member of the overpaid assistance unit). The agency must make all reasonable efforts to locate and collect the improper payment.
- C. For closed TANF cases and reapplications, once the reapplication has been approved, recovery of overpayment must start on any outstanding claim balance.
- D. When an overpayment occurs, the agency must take all reasonable steps necessary to promptly correct the benefit amount and recover the overpayment. Methods of overpayment recovery include:
  - 1. Recoupment from open TANF case/grant,
  - 2. Repayment agreement,
  - 3. Lump sum payment, or
  - 4. Court Order

- E. When the agency has multiple overpayments for the same household, IPV overpayments will be priority. When there are multiple claims of the AE receivable type, recoupment will be made on the oldest claim first.

*Rule 3.8 Responsible Persons for TANF Overpayments*

- A. Using guidelines dictated by federal regulations and State law, the Benefit Recovery Unit has chosen to recover from only assistance group members who were **adult members (18 years of age or older)** at the time the overpayment occurred. Individuals who were children in the assistance group at the time of overpayment will not be liable.
- B. The priority of recovery action against overpaid TANF recipients looks to the caretaker relative recipient first to recover the overpayment because that person is generally responsible for the overpayment. However, if the caretaker relative is unavailable due to death or disappearance, then the agency must seek recovery from other members of the debt, 18 years and older.

*Rule 3.9 Disqualification of Intentional Program Violation Recipients*

The Benefit Recovery Unit is responsible for entering all disqualifications into the agency's database system.

- A. A TANF overpayment will be handled as an IPV **only** if an Administrative Disqualification Hearing or court of appropriate jurisdiction has found a household member guilty of IPV.
- B. Additionally, a TANF overpayment will be handled as an IPV if an individual has signed a waiver of right of his/her Administrative Disqualification Hearing.

## **Chapter 4: Division of Early Childhood Care and Development Overpayments**

### *Rule 4.1 Legal Basis*

- A. The Mississippi Department of Human Services shall pursue recovery of any Division of Early Childhood Care and Development (DECCD) improper payments more than \$1,000.00.

Source: *CCPP Rule 9.10(a)*

### *Rule 4.2 Types of DECCD Overpayments*

- A. An Agency Error, (AE)
- B. An Unintentional Program Violation, (UPV), and
- C. A Suspected Intentional Program Violation (IPV)

Source: *CCPP Rule 9.10(b) (1-3)*

### *Rule 4.3 Establishing DECCD Overpayments*

- A. The Benefit Recovery Unit will receive overpayment referrals of AEs and UPVs from the Division of Early Childhood Development.
- B. IPVs shall be handled through the Division of Investigations or the Division of Administrative Hearings. Once the Intentional Program Violation has been established, the decision will be forwarded to the Benefit Recovery Unit to begin recovery of the overpayment.
- C. The Benefit Recovery Unit shall issue a Demand Letter to the provider or recipient within fourteen (14) business days of receiving the overpayment claim referral.

### *Rule 4.4 Recovery of DECCD Overpayments*

- A. For all active providers, the Benefit Recovery Unit shall recover improper payments in the form of a recoupment, which is a reduction in Child Care Payment Program (CCPP) amounts to the childcare provider in subsequent months.
- B. In the event the improper payment was due to the action of the parent, the recoupment amount will be added to the parent's copayment amount and is to be paid directly to the provider by the parent.

- C. The recoupment amount will be set up as (1/12) of the total amount of the improper payment. This amount will be withheld from CCPP payments for a total of twelve (12) months, until the full amount of overpayment has been paid in full.
- D. If the provider or parent no longer participates in the CCPP program, or if the Benefit Recovery Unit is unable to recoup payments, the Benefit Recovery Unit may enter into a repayment agreement with the provider or parent.
- E. Other recovery methods of DECCD overpayments include:
  - 1. Lump sum payment,
  - 2. Intercept of unemployment compensation,
  - 3. Court Order/Judgement,
  - 4. Public service, and/or
  - 5. Other collection actions such as state tax refunds, lottery offsets, wage garnishments, property liens, smalls claim court, and Treasury Offset Program.
- F. When MDHS has multiple DECCD overpayments for the same provider or parent, IPV overpayments will be priority. When there are multiple claims of the AE or UPV receivable type, recovery will be done concurrently, unless the recovery efforts cause an undue hardship, which will be determined through an administrative agency appeal.

Source: *CCPP Rule 9.11(A)(B)*

## **Chapter 5: Other Programmatic Division Overpayments**

### *Rule 5.1 Legal Basis*

- A. The Mississippi Department of Human Services shall pursue recovery of any other agency programmatic division overpayments, in accordance with state and federal regulations.

### *Rule 5.2 Establishing Programmatic Division Overpayments*

- A. The Benefit Recovery Unit will receive the overpayment claim referral from the appropriate programmatic division with MDHS.
- B. The overpayment type will be determined and routed to the Division of Investigations or the Division of Administrative Hearings if found to be an Intentional Program Violation.
- C. All other overpayment types will be handled by the Benefit Recovery Unit, who will issue a Demand Letter to the client, subgrantee, provider, etc. within fourteen (14) business days of receiving the overpayment claim referral.

### *Rule 5.3 Recovery of Programmatic Division Overpayments*

- A. When an overpayment occurs, the agency must take all reasonable steps necessary to promptly correct the benefit amount and recover the overpayment. Methods of overpayment recovery may include but not limited to:
  - 1. Recoupment from active/open case,
  - 2. Repayment agreement,
  - 3. Lump sum payment,
  - 4. Court Order/Judgement, and/or
  - 5. Other collection actions such as state tax refunds, lottery offsets, wage garnishments, property liens, smalls claim court, and Treasury Offset Program.
- B. The agency will make every possible effort to recover all programmatic overpayments no matter the type.